

**REMARKS**

Claims 1-3 and 5-14 are pending in this application. The Office Action withdraws claims 7-15 as being drawn to a nonelected invention; rejects claims 1-6 under 35 U.S.C. §112, second paragraph; and rejects claims 1-6 under 35 U.S.C. §103(a). By this Amendment, claims 1, 7 and 14 are amended, and claims 4 and 15 are cancelled. Support for this amendment may be found in the present specification at, for example, page 7, paragraphs 1-3. No new matter is added.

The courtesies extended to Applicant's representative by Examiner La Villa at the interview held March 7, 2008, are appreciated. The reasons presented at the interview as warranting favorable action are incorporated into the remarks below, which constitute Applicant's record of the interview.

**I. Restriction**

Applicant respectfully requests rejoinder of non-elected method claims 7-14. Where product and process claims are presented in the same application, Applicant may be called upon under 35 U.S.C. §121 to elect claims to either the product or process. MPEP §821.04. However, in the case of an elected product claim, rejoinder will be permitted when a product claim is found allowable and the withdrawn process claim depends from or otherwise includes all the limitations of an allowed product claim. Id. Since process claims 7-14 include all the limitations of allowable product claim 1, claim 1 being allowable as discussed below, the process claims 7-14 must be rejoined with the product claims. Applicants respectfully request withdrawal of the Restriction Requirement and rejoinder of claims 7-14.

**II. Rejection under 35 U.S.C. §112, second paragraph**

Claims 1-6 are rejected under 35 U.S.C. §112, second paragraph for allegedly being indefinite. The Office Action alleges that the phrase "phosphate bonded ceramic" is indefinite.

Without admitting the propriety of the rejection, and in the interest of advancing prosecution, by this Amendment claim 1 is amended to recite "the phosphate bonded ceramic is the reaction product of a ceramic forming metal oxide and a phosphate source." Support for this amendment may be found in the present specification at, for example, page 7, paragraphs 2 and 3.

Reconsideration and withdrawal of the rejection are respectfully requested.

III. Rejections under 35 U.S.C. §103(a)

Claims 1, 3 and 5 are rejected under 35 U.S.C. §103(a) as having been obvious over Takahashi (U.S. Patent No. 5,569,336). Applicant respectfully traverses the rejection.

Applicant respectfully submits that Takahashi does not teach all of the features of amended claim 1. Takahashi at least fails to teach or suggest that the diffusion barrier comprises a single layer coating, wherein the ceramic coating is in contact with the alloy substrate on one side of the ceramic coating, the opposite side of the ceramic coating being exposed to the exterior environment. See the present specification at, for example, page 7, paragraph 1. Instead, Takahashi only discloses multi-layer coatings, as seen in Figures 1-3 and at column 1, lines 61-66. In this way, the presently claimed alloy structure has an entirely difference construction than the magnet disclosed by Takahashi. Therefore, the presently claimed invention could not have been obvious to a person having ordinary skill in the art based on the teachings of Takahashi.

Claims 1, 3 and 5 are rejected under 35 U.S.C. §103(a) as having been obvious over Nishiuchi et al. (EP 1032000). Applicant respectfully traverses the rejection.

Applicant respectfully submits that Nishiuchi does not teach all of the features of amended claim 1. Nishiuchi at least fails to teach or suggest that the diffusion barrier comprises a single layer coating, wherein the ceramic coating is in contact with the alloy substrate on one side of the ceramic coating, the opposite side of the ceramic coating being

exposed to the exterior environment. See the present specification at, for example, page 7, paragraph 1. Instead, Nishiuchi only discloses multi layer coatings, as seen at paragraphs [0010] and [0026], for example. In this way, the presently claimed alloy structure has an entirely difference construction than the magnet disclosed by Nishiuchi. Therefore, the presently claimed invention could not have been obvious to a person having ordinary skill in the art based on the teachings of Nishiuchi.

Claim 2 is rejected under 35 U.S.C. §103(a) as having been obvious over Nishiuchi in view of Chen et al. "Surface Reaction..." in IEEE Trans. in Magnetics. Applicant respectfully traverses the rejection.

As discussed above, Nishiuchi does not teach or suggest a single layer coating as claimed in independent claim 1. Chen is cited for the claimed alloy, and does not overcome this deficiency. Therefore, independent claim 1 would not have been obvious to a person having ordinary skill in the art based on the teachings of Nishiuchi and Chen et al. Accordingly, dependent claim 2 is patentable for at least the reason that independent claim 1 is patentable.

Claims 4 and 6 are rejected under 35 U.S.C. §103(a) as having been obvious over Nishiuchi in view of Applicant's admissions. Applicant respectfully traverses the rejection.

As discussed above, Nishiuchi does not teach or suggest a single layer coating. To the extent the present specification teaches otherwise, such teachings constitute the presently claimed invention and so cannot be used to support an obviousness rejection. Therefore, independent claim 1 would not have been obvious to a person having ordinary skill in the art based on the teachings of Nishiuchi as discussed above. Accordingly, dependent claims 4 and 6 are patentable for at least the reason that independent claim 1 is patentable.

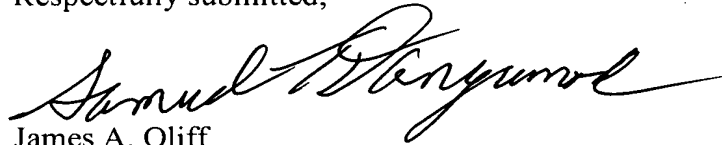
Reconsideration and withdrawal of the rejections are respectfully requested.

IV. Conclusion

In view of the foregoing, it is respectfully submitted that this application is in condition for allowance. Favorable reconsideration and prompt allowance of the application are earnestly solicited.

Should the Examiner believe that anything further would be desirable in order to place this application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number set forth below.

Respectfully submitted,



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